

**Pre-Contract Conference Call Q & A
And Financial Briefing Sessions Q & A**

BOS Call

Contract Section	Question (Q) and Answer (A)
9.5 Training	<p>Q. Who does the recordkeeping on whether or not an agency is assuring staff training.</p> <p>A. The Division of Workforce Solutions (DWS) Administrator's Memo # 05-09 describes training responsibilities of the Department and the W-2 Contract agencies, including maintaining records of training. Additionally, the Department will record attendance at training sessions. Agencies are responsible for assuring that their staff registers for the sessions, in accordance with instructions from the Department, such as registering using DWD CAMPUS or Pathlore.</p>
14.1 Subcontracts	<p>Q. Will the log process between the Regional Office and Agency continue, i.e, Regional Offices sending the log to the Agency?</p> <p>A. The requirement in DWS Administrator's Memo #05-04 is that the W-2 agency send its log of subcontracts to its Department Contract Manager within ten (10 Business days after each calendar quarter of the Contract Period. There is no intention to change this requirement.</p>
14.1 Subcontracts	<p>Q Do we have to monitor all subcontracts?</p> <p>A. Yes. Additional information on monitoring subcontracts will be provided when the subcontract DWS Administrator's Memo (#05-04) is re-issued in January 2006.</p>
21.4 Job Center Integration	<p>Q. With the high cost of facilities and some agencies moving out, can you relax this requirement?</p> <p>A. No. The goal is have employment and training services delivered via the Job Center and further the one-stop concept for quality of service and convenience to job seekers and employers. Agencies who move out of the Job Center but still send their participants to the Job Centers are not furthering this effort, including paying for such services for their participants.</p>
26.3 Advance Payments	<p>Q. Will the Department inform us when the Take Back process will start?</p> <p>A. Recovery of Advance Payments for the 2006-09 contracts is being handled automatically through CORE. The advance payments issued will be charged against the Administration/Services CORE contract codes so that a manual take back process is not needed. Please see "Advance Payments – Issuance and Recovery" from the W-2 Contract Training Information found on the CORE website and linked below: http://dwd.wisconsin.gov/core/Advance_Payment_and_TakeBacks.doc</p>
26.8.6 Informational Reporting	<p>Q. Are indirect costs of the agency or the costs of its subcontractors to be included in the information reporting codes 2501, 2502 and 2503?</p> <p>A. No. The information reporting lines for legal, advertising and telecommunication costs are for the agency's direct costs only.</p>

Overall Requirements	<p>Q. Why isn't the Department passing federal requirements through to the agencies? What is the need for being more stringent and requiring more complexity?</p> <p>A. The Department has reviewed the recommendations from a number of sources, including from the Legislative Audit Bureau and other Legislative committees as well as audit and monitoring reports of the agencies. This review has resulted in further oversight requirements in order to assure more accountability.</p>
Comparing the 04-05 Contract with the 06-09 Contract Language	<p>Q. The previous contract didn't have some language, but your chart shows that it did.</p> <p>A. The Contract was updated to include the amendments issued during the past contract period and incorporated into the Reference Version Contract, Appendix H in the Request for Proposal (RFP) and the Re-contracting instructions for the Right of First Selection agencies. One needs to compare new contract language with the Reference Version Contract.</p>
28.2 Civil Rights Compliance Plan	<p>Q. Will we have to do a new Civil Rights Compliance (CRC) Plan if we already have an approved Plan—it was due 30 days following the signature of the contract.</p> <p>A. A CRC Plan is required for each contract to assure that the population is served per Limited English Proficiency requirements.</p> <p>For agencies who have a currently approved CRC Plan (approved through 12/31/06), a new Plan will not be required at this time. Agencies with approved plans will need to review their current plans and notify the Department that the review is completed with no changes required or submit the updated Plan.</p> <p>For W-2 Contract Agencies that have an approved plan but have added new areas to their consortiums, an update will be required.</p> <p>For new agencies, the CRC Plan needs to be submitted.</p> <p>The Department will be communicating the requirements to the W-2 Contract Agencies via the Contract Managers.</p>
37.3 Bonding	<p>Q. Have you approved alternatives to bonding yet?</p> <p>A. Alternatives are being approved on a case by case basis. This was discussed at the financial briefing sessions in December and a draft handout was provided. If you have further questions, or want to assure that what you plan to propose is sufficient, please contact Howard Bernstein at 608-266-9427 or at howard.bernstein@dwd.state.wi.us</p>
Contract & Implementation (C&I) Committee	<p>Q. Is there any reference to C&I in the contract?</p> <p>A. No. The references to C&I specifically by name were removed in the prior contract for 2004-2005.</p>

Contract Deliverables	<p>Q. Can we have a cheat sheet on all the things due by agencies in the contract?</p> <p>A. Yes. A draft document, titled “Key Dates for Deliverable from W-2 Contract Agencies” was handed out at the financial briefing sessions. That document will be finalized and posted on the W-2 Contract website. If you have questions about a deliverable, contact your Regional Administrator.</p>
Fraud Plan	<p>Q. The fraud plan is due 60 days following the contract signature? We don’t have a format. Will there be one?</p> <p>A. The Department issued further instructions on the fraud plan requirements in DWS Administrator’s Memo #05-20, which includes a model fraud plan.</p>

Milwaukee Call

Contract Section	Question (Q) and Answer (A)
13.1 Duly Incorporated and Registered	<p>Q. Do we have to be incorporated in Wisconsin?</p> <p>A. An agency can be incorporated outside of the state of Wisconsin, but must be registered in Wisconsin.</p>
13.4 Private Agency Board Oversight and Independence	<p>Q. In the documentation related to Boards, do you want information not related to W-2 and other?</p> <p>A. No; we want information that is relevant to W-2. There may be occasions where we would want to expand that and we will request additional information.</p>
17.2.4 Use of Tester for Monitoring	<p>Q. How far in the testing process will someone go?</p> <p>A. This will not be unlike what currently happens now. Sometimes an advocate will accompany a participant or there may be someone who overheard or witnessed how a participant was treated, and then later filed a complaint. The Division would follow up on the matter to resolve it.</p>
18.3 Penalty Amounts	<p>Q. Where is the Progressive Action?</p> <p>A. There may be instances where the action/non-action of a W-2 Contract Agency is severe enough that a penalty may be a reasonable action for the Department to take even though a pattern had not been established, so the wording “engages in a pattern” was removed.</p>
21.3 Cooperation with Other Programs	<p>Q. In cooperating with the income maintenance agency, the contract states that this includes W-2 Contract Agency providing work space for child care administration workers, eligibility workers and FS/MA workers. May we use our W-2 funds to pay for this space?</p> <p>A. No. W-2 funds may not be used to pay for non-W-2 items. The language reads “...providing work space...” It doesn’t state that the W-2 Contract Agency must pay for the space. That expense is the responsibility of the program needing the space.</p>

21.4 Job Center Integration	<p>Q. We have Job Centers closing in our area, or Workforce Development Boards moving out of them, or there is no Job Center in the area. Do we have to be in the Job Centers?</p> <p>A. The Department requires that W-2 services be provided in the Job Center if a Job Center exists in the W-2 geographic area.</p>
26.10.3 Federal Recovery	<p>Q. Explain the Federal Recovery clause.</p> <p>A. The federal recovery section is only applied if the W-2 Contract agency fails to correct its error, after the corrective action opportunities, and the error resulted in the W-2 Contract agency being reimbursed erroneously.</p>
27.3 State or Federal Audit Exceptions	<p>Q. Where is the language that indicates that we will not be penalized if the error was the Department's vs. the W-2 Contract Agency?</p> <p>A. The language is in 27.3, State or Federal Audit Exceptions—"The Department agrees to interpret this provision in a manner that will not unfairly penalize a W-2 Contract Agency that has followed the Department's written policies and instructions."</p>
55 Office of Management and Budget (OMB) Circulars	<p>Q. Private agency must follow Federal Acquisitions Regulations. Doesn't that conflict with requiring the private agencies to adhere to OMB Circulars A-110, A-122 and A133?</p> <p>A. We are researching this issue. The Department's Cost Allocation Plan, which has been approved by the US Department of Health and Human Services which provides the TANF funding, requires DWD to extend certain provisions of OMB Circular A-122 to for-profit agencies that subcontract under the TANF program.</p>
Monitoring	<p>Q. Who will pay for monitoring, e.g, last year the Milwaukee agencies were charged for independent financial diagnostic reviews required by the Department.</p> <p>A. The Department funds the on-site financial monitoring. The independent reviews required last year were an unusual circumstance and not planned as a regular requirement.</p>
Subcontracting	<p>Q. Will DWD be providing a new subcontract template?</p> <p>A. Administrative Memo 05-04 contains subcontract requirements. The memo is being updated but the current memo is in effect until the new memo is issued.</p>
13.4 Private Agency Board Oversight and Independence	<p>Q. It states that Board members must be "trained" in a number of specific areas listed. What does this mean? How will this be measured and monitored?</p> <p>A. The intent is to ensure that the Boards of W-2 Contract Agencies are receiving regular and complete financial information and are able to understand that information so that they can effectively exercise fiscal oversight of the W-2 program. Training needs will vary from Board to Board based on the background of the members. For example, Board members that are Certified Public Accountants may not need any training. DWD will review the list of training provided to Board members and the background of Board members as part of our regular on-site monitoring visits.</p>
24.2 Equipment	<p>Q. Is the definition of equipment the same as in ADM 04-33 which states equipment is considered an acquisition cost of \$5,000 or more?</p> <p>A. Yes. The equipment definition for the contract is the same as in ADM 04-33.</p>

Appendix A Cost Allocation	<p>Q. It states that we must follow DWD's federal cost allocation plan and related cost reimbursement policies. Is it possible to provide a comparison to Federal A-122 allowable cost guidelines so that we have a resource that identifies DWD deviations from A-122?</p> <p>A. The contract language and DWD policies are designed to reflect the requirements imposed on DWD under its federally approved cost allocation plan. The two primary deviations from A-122 is that:</p> <ul style="list-style-type: none"> • DWD is required to extend provisions of A-122 to its for-profit providers; and • Both the supervisor and the employee must sign employee time reports (A-122 only requires employee signature).
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December Financial Briefing Sessions

Topic	Question (Q) and Answer (A)
Incentive Funds	<p>Q. Will incentive funds be a carryover to 2008?</p> <p>A. No. The 06-07 Incentive Earnings apply only to the 06-07 funding amounts. Agencies may only expend up to their reimbursable funding amount. Incentive Earning amendments could be processed in the beginning of CY2008 for outcomes obtained in the last quarter of CY2007 but the outcome amounts were developed so that the funding could be earned and amended within the 2006-07 funding period.</p>
Salary Survey	<p>Q. Will a salary survey be done for 2006?</p> <p>A. Yes, a survey is conducted annually using data collected under Administrative Memo 05-03. The forms for the 2005 salary data are due February 28, 2006.</p>
Subcontracting	<p>Q. Are fee-for-service subcontracts allowable?</p> <p>A. Yes, fee-for-service subcontracts are allowable in limited situations when they can be shown to be more appropriate than a cost reimbursement subcontract. However, they should not be used where a conflict of interest may exist or when it is a less-than-arms-length relationship. Fee-for-service subcontracts would be submitted to the Regional Office for review and approval like any other subcontract. The Administrative Memo on subcontracting (05-04) is being updated but remains in effect until the update is issued.</p>
Subcontractor Administrative Costs	<p>Q. How are subcontractor administrative costs reported?</p> <p>A. Refer to Administrator Memo 04-04. In general, if the subcontract is for program services, such as performing assessments, the administration costs at the subcontractor are to be reported as service costs. If the subcontract is for administrative functions, such as payroll, the subcontractor's administrative costs would be reported as an administrative cost.</p>

26.7 Expense Reporting	<p>Q. On what accounting basis do we report costs on the CORE reimbursement lines?</p> <p>A. Each W-2 Contract Agency reports costs for the reimbursement codes reflective of their accounting records maintained in accordance with their established accounting method that meets the standards set by GAAP and/or the OMB Circulars. The reporting method must be consistently followed throughout the contract period.</p>
Accrual Codes 2610 and 2620	<p>Q. What costs are to be reported in the accrual codes 2610 and 2620?</p> <p>A. The codes titles were misleading. They are being changed to “estimated unreported administrative expenses” and “estimated unreported service expenses”. The definitions are also being revised.</p> <p>Agencies are to report any estimated costs incurred during the reporting period that are NOT reported in the CORE reimbursement codes. These would consist of costs that are not yet recorded in agency general ledger records or accruals, but which the agency estimates to have been incurred during the reporting period.</p> <p>Examples vary by agency depending on their accounting method, but may include:</p> <p>Estimated payroll costs for the portion of the pay period at the end of the month that the CORE report covers; and</p> <p>Estimated costs for service received during the month but not yet reported because the invoice has not been received or the subcontract under which the services were received has not yet been signed.</p>